

COMMITTEE ON FINANCE
(Standing Committee of Berkeley County Council)

Chairman: Mr. Jack H. Schurlknight, Council Member District No. 6

A **meeting** of the **Committee on Finance**, Standing Committee of Berkeley County Council, was held on Monday, **July 23, 2012**, in the Assembly Room of the Berkeley County Administration Building, 1003 Highway 52, Moncks Corner, South Carolina, at 6:21 p.m.

PRESENT: Chairman Jack H. Schurlknight, Council District No. 6; Committee Member Robert O. Call, Jr., Council District No. 3; Committee Member Cathy S. Davis, Council District No. 4; and Committee Member Caldwell Pinckney, Jr., Council District No. 7; ex-officios: Mr. Daniel W. Davis, County Supervisor, Mr. Phillip Farley, Council District No. 1, Mr. Timothy J. Callanan, Council District No. 2, and Mr. Dennis L. Fish, Council District No. 5; Ms. Nicole Scott Ewing, County Attorney; and Ms. Catherine Windham, Interim Clerk to Council. Committee Member Steve C. Davis, Council District No. 8, was excused from this meeting.

Chairman Schurlknight: "I'd like to call the Committee on Finance to order. Ms. Clerk, has this meeting been properly noticed via the Freedom of Information Act."

Ms. Windham: "Yes, Sir, it has."

Chairman Schurlknight: "Thank you, ma'am."

APPROVAL OF MINUTES

Chairman Schurlknight: "First on the agenda is approval of minutes for June 25, 2012."

It was moved by Committee Member Pinckney and seconded by Committee Member Call to **approve** the minutes as presented. The motion passed by unanimous voice vote of the Committee.

EXECUTIVE SESSION – none

A. Leonitta Turner, Human Resources Director, Re:

1. Employee Compensation

Ms. Turner: "Good evening, County Council Members. Actually, today, I will not be presenting the compensation study. I'm gonna have the young ladies who helped me a lot with doing that, Denise Mitchum with Berkeley County Government, and Gracie Horne with Water and Sanitation. We started this process in 2008. Finally, we're happy to be able to continue to bring it to you, try to get it to the end of fruition as soon as possible. And so, they will be sharing with you additional information. Of course, if you remember in 2008, we met with you in May, but they will be providing you additional information as we continue on in this process."

Ms. Mitchum: "Thank you very much, Council. I'd like to read into the record a little bit of background if I may. On September 22, 2008, Human Resources introduced the concept of broadbanding to County Council. At that time, Council was informed that a compensation study would be conducted to determine where our employees' salaries were relative to the market. The study was completed in 2009, but was never implemented, due to the economic downturn. On April 23, 2012, Human Resources presented County Council with information garnered from our compensation study. The study was conducted to identify equitability, compression and other compensation-related issues. A cross-section of employees in each department was interviewed. Managers completed job task forms, and HR employees visited each department, in order to gain a true grasp of employee responsibilities. Similar positions were compared, based upon department and class, and a representative salary was developed from internal, local and national sources. What we've come here today to ask you, to ask County Council, if it will accept HR's recommendation for Berkeley County Government to go to a broad-band structure, or if you would like to remain on the grading structure. Additionally, County Council needs to determine when changes can be implemented. And, that would be the background, but I'd be glad to entertain any questions or thoughts that you may have."

Mr. Callanan: "Mr. Chairman?"

Chairman Schurlknight: "Mr. Callanan."

Mr. Callanan: "Did we not or did Council not vote in the budget to fund the first phase of this compensation study or the broadbanding?"

Ms. Mitchum: "Mr. Callanan, my understanding is that back on April 23rd, we had a workshop, but there was no decision to fund anything at that point. There was no request made; however..."

Ms. Turner: "However, yes, the money was put into the budget, but as we promised, when we started working with the compensation study, we did not want to move totally forward with it until County Council understood it in full. We didn't want to just have the workshop. That was put into our budget as a placeholder."

Mr. Callanan: "Ok."

Committee Member Pinckney: "Move for approval."

Chairman Schurlknight: "We have a motion; do we have a second?"

Committee Member Call: "Second."

It was moved by Committee Member Pinckney and seconded by Committee Member Call to **approve** Berkeley County Government's changeover from its current graded structure to a broadband structure with regard to employee compensation.

Chairman Schurlknight: "We have a second; any other discussion? Hearing none..."

Mr. Fish: "Mr. Chairman? I already have a question."

Chairman Schurlknight: "Mr. Fish."

Mr. Fish: "I'm looking back at the notes. I think in Finance, I asked the question on the budget, I asked a couple weeks ago about the million some dollars. Mr. Davis, did you not tell me that that money was there in case we needed it, but we may not need it, and it may not be spent? Let me find the notes, so..."

Supervisor Daniel Davis: "I said, we put the money in the budget for the compensation study as kind of a placeholder, but the discussion of the compensation plan was gonna go forward."

Mr. Fish: "That's not the understanding I got from..."

Supervisor Daniel Davis: "I think what you might be thinking about is that – at that time, the budget, the state budget had not been adopted. We didn't – we couldn't guarantee that that money was even going to be there. I think that was what you're referring to, but it now has been approved."

Mr. Fish: "Well, I understand that, but I guess I'm understanding is I'm not sure that we've got enough detailed information as to the results of that study. I know we're doing the study, we have authorized the study, and you funded it. I'd like to see some more information exactly of each of the categories as to who all's been – that's a lot of money – as to who – which particular people get upgraded, to how much, who makes that decision."

Supervisor Daniel Davis: "And, that's what this is about. You know, we want to provide as many workshops as you need. We've only had the one, so nothing's going to get implemented until Council blesses it. So, if you want, if you want additional meetings, just let us know."

Mr. Fish: “Yeah, I’d like to request, before we approve this, another workshop to go through a lot of detail.”

Committee Member Cathy Davis: “Mr. Chairman?”

Chairman Schurlknight: “Yes.”

Committee Member Cathy Davis: “Is this going through three readings, or is it a decision now is final if this gets approved tonight?”

Supervisor Daniel Davis: “Well, what you’re approving is the methodology, whether the broadbanding or remaining with the 42, 48 grades that we have. And so, that’s the initial request, because they can’t proceed with the, I guess, the analysis until they know whether we’re gonna use the broadbanding or the grading system.”

Committee Member Cathy Davis: “Ok.”

Ms. Mitchum: “And, if I could address a couple of the concerns that Mr. Fish had. When we met back in April this year, at that time, Mr. Farley asked for a breakdown of where the money would go. And, we had e-mailed everyone a cost for Level I, Level II and Level III implementation, and it was broken down by department. I would be glad to supply you with that again, as well...”

Mr. Farley: “Excuse me; that’s the one where you put the fictitious names – Billy Jo, and all these other...”

Ms. Mitchum: “Well, that actually was the workshop. We did the fictitious names to protect the innocent. Actually, the numbers that we e-mailed at your request after the meeting, those are actual figures. Those were actual numbers relating to each department and what the cost for the first three tiers of implementation, which are the three tiers that we spoke about. Tier I was to get people up to the new minimum if we had employees that were below the new minimum in the pay band. That was Tier I. Tier II were for those employees that have been with Berkeley County for awhile. They have understood all the aspects of their job, all the essential functions, and that they were a contributing member of their department, as well as the County. And, Tier III we did not know at this point if we could fund all of Tier III, but Tier III was to address target jobs that are very critical to the mission of Berkeley County Government, and to try to make sure that the people that we’re looking at in these jobs have the skills, knowledge and ability to carry Berkeley County forward to the next generation, I guess, you could say.”

Chairman Schurlknight: “Thank you; any other questions?”

Committee Member Pinckney: “Yes, Mr. Chairman?”

Chairman Schurlknight: “Mr. Pinckney.”

Committee Member Pinckney: “When we talk about broadbanding, versus grading, could you explain that in simple terms for us, and help us understand the advantages here and disadvantages if they’re any?”

Ms. Mitchum: “Yes, Sir, Councilman Caldwell; I’ll be glad to do that. What we currently have today is if you look at our grading system, we have Grades C-01 to C-49. So, we have 49 different pay grades. What broadbanding does is it takes a number of those pay grades, and it collapses it down into one pay band. A pay band could encompass, for example, Grades 01 thru 09. It is easy to administer. It’s a flexible system. It gives more accountability and responsibility back to the department directors. It’s been around a long time. The State of South Carolina uses it. Charleston County uses it. Basically, the reason we requested broadbanding is because, for example, we have Administrative Clerk I, II, III, IV. If you look at those four positions, there is relatively little difference between those four, and what we wanted to do was we wanted to – by doing the pay bands, we wanted to collapse all that information down into one and then, as monies are available, and as there is a business need for Berkeley County, then we would slot positions into those pay bands.”

Committee Member Pinckney: “Thank you.”

Ms. Horne: “The same is true for Water and Sanitation. We actually have 23 pay bands.”

Mr. Farley: “Well, under – Mr. Chairman?”

Chairman Schurlknight: “Yes, Mr. Farley.”

Mr. Farley: “Under this, would you be the one that is – your judgment as to who gets a pay raise or not? Who will determine who gets a raise?”

Ms. Horne: “It is based on the results of the survey itself, because we looked at each of the positions individually, and we judged it based on years of service, based on knowledge, skills and abilities, and we based on where our employees are now and where they should be based on the market. So, based on the research that we have done, we actually have all of those completed.”

Ms. Turner: “It is important for County Council to know that all the research we did, data research, which means that we went with sources that are known, national sources. We didn’t just go into salaryscale.com to pull up numbers. And so, we have all that information available if anyone wants to even go on line to check any of those sources that we still have contacts with.”

Ms. Horne: “National, state and local, by the way.”

Mr. Fish: “Mr. Chairman?”

Chairman Schurlknight: “Yes, Mr. Fish.”

Mr. Fish: “How much subjective, subjectivity was used in actually placing the final band, as opposed to numerical, black and white data?”

Ms. Mitchum: “I would say there was very little variability due to – subjective variability. There were certain things established by these different sources that we needed to follow. What we did first was we actually went out to the different departments. We analyzed the jobs. We talked to the people who are actually doing these jobs, and then we looked at what factors were central to the person being successful in those jobs, and the factors varied, based on your position, your department that you work in. We have sat down with individual directors after the compensation was completed. We went over all the results with each one of them. In a few cases, the directors would say, I don’t know that you exactly encompassed this entire job, and I’d like you to look at it again. There really wasn’t a lot of room for us to make personal choices or decisions on how a job – now, we’re not looking at – one thing we took out of all this was people. We’re not looking at Denise and Gracie. We’re looking at the positions that we hold and positions that others hold, and their relative importance and value to Berkeley County, so...”

Mr. Fish: “Did you look at any qualifications that people have who are in place today? I mean, if somebody’s in position, did you look at the qualifications they have?”

Ms. Mitchum: “Well, we looked at numerous things. Qualifications was one area. We looked at education. We looked at experience. We looked at certifications, working conditions, whether or not they’re supervised, if there’s a shift differential such as in the EMS or the Sheriff’s Office or Communications. We tried to take a lot of different factors into play to make sure that we weren’t being favorites with either one department or the other. And then, we also compared those positions across the board. We looked at a Skilled Tech I in Roads and Bridges, versus a Skilled Tech I in Facilities and Grounds, versus a Skilled Tech I at the Clerk of Court’s Office, versus a Skilled Tech I at Sangaree Special Tax District. So, we looked for internal equity, as well as external equity to make sure...”

Mr. Fish: “Because, in a position, a situation like this, you can’t help but take a look at the qualifications, the people, the placeholder who’s in that job.”

Ms. Mitchum: “Absolutely; you have to take that into consideration.”

Mr. Fish: “It reminds me, just recently, one of my staff people I had is a highly qualified young lady, and she kept telling me, I’m qualified for more. Unfortunately, she was, but the position she held wasn’t worth more. And, that’s a standard thing gonna happen when people are in the job continue to get different skill sets. Companies tend to keep rewarding them when that’s not the requirements of that particular job. Is that person worth more? Probably, but that job is not worth more, and that’s what concerns

me about subjective judgment or taking who the placeholder is and how you make that to a final decision, and who makes that final decision.”

Ms. Turner: “And, that’s why, Mr. Fish, we looked at the job and not the person. In addition, that’s the reason why we also did five Tiers, because when you look at five Tiers and not just one, then you can see, well ok, where a person might need to be than where the job might need to be. For example, if someone has been here 25 years in a job, and they are totally a specialist, and now, they lead and do a lot of different things, let’s say the lead janitorial person. That person may be worth more and would be more than a janitor who came in today and is just emptying the trash. And, that’s why the tiers are there as well, so that we have worked very hard to be objective and not to be subjective. In fact, when Denise and Gracie provided me information, I’ve not looked at names. I’ve looked at numbers and looked at departments. Just like when you had fudge names, I did that intentionally, so that I would not, could not discriminate against any of the individuals. As Gracie and Denise who have met with managers, most of them, they’re the ones who’ve looked at most of the names, but I’ve tried to take those out of judging or looking at what we’re doing, because I want to be fair to our employees who are internal, as well as all employees who will be coming in the future.”

Mr. Fish: “It concerns me that we’ve spent over a \$1,000,000, and some of the statements that y’all have made is that our people haven’t been paid properly. I’m not aware of that. I think our people have been paid quite well compared to outside industry, and I’m concerned that we’re a \$1,000,000 under the last four years. That says we’ve been shorting our employees compared to the outside industry substantially, and I don’t buy that.”

Ms. Mitchum: “And, I understand your concerns, but let me say also that the last time they looked at the compensation for Berkeley County, and I looked back at the minutes. It was my understanding, it was back in September of 2012, there was a discussion and what Ms. Wauben had done back in 2002. So, we’re about 10 years out from the last time this was seriously looked at.”

Mr. Callanan: “Mr. Chairman?”

Chairman Schurlknight: “Mr. Callanan.”

Mr. Callanan: “A couple of questions – first is – and, I just, I’m gonna describe this back to you, and let me see if I’m getting this straight – that the first phase of this, essentially, is the process by which you take every employee, put them in one of those bands. And then, some of those employees, when you put them in those bands, will not be making the minimum level at that band. And so, you’re going to step up for those particular employees that pay, so they’re at the minimal level for their band. Is that correct?”

Ms. Mitchum: “It...”

Mr. Callanan: "I'm getting a nod from her, so – no, I'm just kidding."

Ms. Mitchum: "Well, the first step was to analyze the jobs. We had to know what we had..."

Mr. Callanan: "Right."

Ms. Mitchum: "...before we could put it in any kind of pay band system."

Mr. Callanan: "And then that's, and that's how you, and that's how you put every employee onto a band by analyzing their job."

Ms. Mitchum: "That's how we put the jobs into the bands. And then, you have to look at the job's importance to Berkeley County. And you – in a comparison, I would have to say that the department head or director ultimately, that position is a lot more critical to the mission statement of Berkeley County Government than a Skilled Technician I is any day. It's got nothing to do with who are in those jobs, but it has to do with the importance of the job to the County, the qualifications needed to be successful in the job, and it has to do with the value of what the job is worth to us and, of course, the resources to fund any changes that are made."

Mr. Callanan: "However, this first phase is going to involve simply getting people that were put into bands, and they're not making the minimum amount for that band to be making the minimum amount. Is that – I thought that's what you were saying earlier."

Ms. Mitchum: "That's one of the three tiers that we're asking to be implemented first..."

Mr. Callanan: "Right, and that's the first one."

Ms. Mitchum: "...Right, right..."

Mr. Callanan: "Right, that's, that's, and that's what the \$1,000,000 or something that we're talking about here."

Ms. Mitchum: "For the three tiers, not per tier. And also, I would note that everybody's not getting a raise."

Mr. Callanan: "Oh, oh, I know that."

Ms. Mitchum: "A lot of people aren't getting a raise."

Mr. Callanan: "Right, and that was, that was the point I made before is that a lot of times when we do these cost-of-living adjustments, there are employees in the system who are making more money than, you know, than they would, you know, at a

comparable job in a different government institution. So, by us giving them a cost-of-living adjustment, you're just making the situation worse. And, there are people who are making less than they probably should in a comparable government employing institution, and that those people, you know, when we're talking about cost-of – and the other point I want to bring up is that we did not institute a cost-of-living adjustment in this year's budget, and that we used part of those funds that would normally goes out to implement this, this plan, if I'm correct, and that, and that, I think, makes sense. This way, you're putting money to people who historically have been getting the shaft over the, you know, over the, you know, the past five or six years, because of the old 20 some odd levels. How many levels do we have? I forget."

Ms. Mitchum: "Forty-nine at the County, and twenty-three at Water and Sanitation."

Mr. Callanan: "Yeah, because of, you know, all of those different levels that we had, and so – but, I wanted to make sure that the first phase, I understood, was simply that. The second phase then goes and looks at the individual more? Is that what you said?"

Ms. Mitchum: "Yes, Sir; it looks at the individual more. No matter where you go, I call it the Berkeley County way of doing business. Everywhere you go, you have to learn the specifics, not only of the job, but of the culture and the surroundings in which you work. And, that is where Tier II comes into play. It's for those individuals that have mastered the essential functions of their job and also are bringing something extra to the table, such as certifications, such as a license. Anything of that nature, so we're saying, we're separating this second group from the people that are just coming in the door."

Mr. Callanan: "So, I mean, that's – they – we could choose to do one phase and then not the other two. We could choose to do one phase, or two phases and not the third, but they're not – no matter what, we are essentially just by doing the first phase, you know, we're kind of correcting at least part of a system."

Ms. Mitchum: "Well, if you only do the first phase, what you're gonna have is you're gonna have an issue, again, of salary compression. You're gonna have the people that are not at the minimum, that are gonna be brought up to the minimum, and you may find that a person that's brought up to the minimum may be almost neck-in-neck with somebody that's been here five or seven years..."

Mr. Callanan: "Ok; alright."

Ms. Mitchum: "...who has a full understanding of their responsibilities."

Mr. Callanan: "Ok; thank you."

Chairman Schurlknight: "Good; thank you. Just kind of a follow-up on that, you answered part of my question – was this study, and hopefully, it will take the employees

that have been here longer, and move them out a little farther from your new employee, because, I know, when you get compressed, over time the new employee is right there close with a 15-year employee. Also on this, on the salary ranges, is this gonna help the employees like to move their salary levels up, the top end, to give them more room to grow in their jobs?”

Ms. Horne: “Are you referring to the pay bands?”

Chairman Schurlknight: “Right; on the salary range, you know, like if your level’s this amount, you’ve got your midpoint and then your maximum. Is it going to do anything on the top end to give them more room to grow in their jobs?”

Ms. Horne: “There will be more room as far as the salaries are concerned.”

Chairman Schurlknight: “Right; exactly; ok.”

Ms. Mitchum: “If I also could add – sorry, we’re trying to share a microphone here.”

Chairman Schurlknight: “Go right ahead.”

Ms. Mitchum: “It also allows an employee a way to move forward without going to a supervisory position. Traditionally in government, a lot of times the only way you can get a little bit more money is if you take on a manager’s job or a supervisor’s job. Not everybody’s cut out to be a manager, and Lord knows we don’t need all managers, we’d have nobody to supervise. So, we’re trying to give some type of a career path for those employees that are not interested in management, not interested in supervising people, but this gives them approximately a 50 percent spread between the minimum and the maximum of the pay band. Now, if they get toward the top of the pay band, we can red line that employee. That means that that job is not worth any more money...”

Chairman Schurlknight: “Right.”

Ms. Mitchum: “...than what we say it is and that those individuals will not get any money, because they’re at the top.”

Chairman Schurlknight: “And, I think, we can say that pretty confidently afterwards, because you know, it’s in line with the market and what those jobs are paying out in the open market. And, I know it’s bad when an employee’s been here for years, and they top out, and they don’t get any more money, because, you know, the job doesn’t warrant it, but if these jobs are warranting more money and they’re not moving out, and this is a way to move it out, justify it, I think it’s a good thing to do for the employees on that, keep them from getting so stalemate in that. I’ve seen that happen so many times to good employees, and it really has y’all’s hands tied. Do we have any other discussion?”

Committee Member Pinckney: “Yes, Mr...”

Mr. Farley: "Mr. Chairman? Mr. Chairman..."

Chairman Schurlknight: "Mr. Farley."

Mr. Farley: "Am I under the understanding that we're gonna have a workshop on this?"

Chairman Schurlknight: "Yes, we can."

Supervisor Daniel Davis: "Yeah, we'll schedule something."

Chairman Schurlknight: "Not a problem."

Ms. Turner: "You mentioned a workshop – one of the things that I do want to encourage County Council to know, we had – I have a book there – we had to fill each address into this. We have them for every individual, but sometimes we see the survey information, because it's data driven and it's so heavy, to come to our office, and we will be able to show you some of the stuff. So, we have some things in books that's kind of hard to just really map it. So, when you ask what did you compare - when you take BLR, you can see the jobs that we put up. You can see, we also went to the Department of Labor, SCAC and MASC. So, when you said that we are not in line, you'll see that we didn't make up these numbers. We took these numbers from surveys that we consider vetted, like SCAC, MASC, we used South Carolina plus some of the nationals. But, we did not try to pick California's numbers. We didn't try to pull North Carolina. We looked mostly around South Carolina, unless it's a specialty job that you couldn't find anyone in, which there were very few of those."

Chairman Schurlknight: "So, Ms. Turner, but off the bottom line is what the region is paying for comparable jobs."

Ms. Mitchum: "We actually drilled down in most cases to the North Charleston/Charleston/Summerville Area."

Chairman Schurlknight: "Right; and, I guess in those job descriptions, they varied somewhat to what our Tech I, if you will, does what the other counties' Tech I's do. Did you all see a lot of variation? I know there were some, but anything to stand out?"

Ms. Horne: "Some positions, yes, but for the most, you would have to find a position that was comparable to yours."

Chairman Schurlknight: "Right."

Ms. Horne: "And often times, the names would change, so you would have to really search for those positions."

Chairman Schurlknight: "Sure; good; thank you. Any other questions?"

Committee Member Pinckney: "Yes, Mr. Chairman?"

Chairman Schurlknight: "Mr. Pinckney."

Committee Member Pinckney: "Now, what we're voting on here tonight is just to lessen all of the various numbers we've got, as far as various positions are concerned, right? And, the band, and when we talk about the band category of it, then that means that, yeah, this person may be qualified, but then when it comes to how capable they are of doing the job, it gives you latitude to move them up within that pay band. Is that correct?"

Ms. Turner: "Oh, yeah."

Committee Member Pinckney: "Oh, yeah, absolutely. And, we're talking about being more equitable when it comes to our employees. Ok; thank you."

Ms. Mitchum: "And also, I would say that we – if we have a candidate that is eligible to move or get more money, if they are on some type of a performance improvement plan, they would not be getting any funding either."

Committee Member Pinckney: "Ok."

Ms. Mitchum: "So, we're trying to make sure that it's for performance, as well."

Chairman Schurlknight: "Ok; and to make sure everybody's on the same page, and make sure I understand, y'all's recommendation is moving from a graded structure to a broadband structure. Is that y'all's recommendations tonight, and that's what the motion was for – whoever made the motion?"

Committee Member Pinckney: "Yeah, I made the motion."

Chairman Schurlknight: "Ok; any other questions?"

Mr. Farley: "Are we, are we gonna have a workshop before we vote on this?"

Mr. Fish: "We should have."

Mr. Farley: "Because, if we vote on it, and it's a done deal, why are we gonna have a workshop?"

Committee Member Pinckney: "Well, it's my understanding that we're not voting on the entire compensation plan. We're just voting to, to lessen the – I mean, move from the grade to the broadband, right?"

Chairman Schurlknight: "Correct."

Ms. Mitchum: "That is, that is – yes, Sir, one of the parts. The other one is as far as implementation. That was the other part."

Committee Member Pinckney: "Right."

Mr. Farley: "Ok."

Chairman Schurlknight: "Any other comments?"

Mr. Farley: "And, Mr..."

Chairman Schurlknight: "Mr. Farley."

Mr. Farley: "Mr. Chairman; the – one of the things that bothered me on the personal leave in this policy and everything..."

Ms. Turner: "We haven't discussed the personal leave yet. I'm gonna do that afterward."

Mr. Farley: "Ok."

Chairman Schurlknight: "If we could, if we can hold that until the next one, Mr. Farley, please?"

Mr. Farley: "No problem."

Chairman Schurlknight: "Ok; thank you. Any other discussion?"

There was no further discussion.

The motion passed by unanimous voice vote of the Committee.

Chairman Schurlknight: "Thank you."

Ms. Mitchum: "Thank you."

2. Leave Policy

Ms. Turner: "Mr. Farley, now we'll talk about what's near and dear to you. With the leave policy, recently – several years ago, we were asked to look at leave, and due to a lot of the issues that was happening in the economy, we really did not look at it, because employees were already taking some heavy hits not getting the normal increases

and increases with healthcare and all of those wonderful things. But, since the economy has started to improve some, we wanted to make sure that we looked at leave, because we knew that County Council wanted us to look at leave and what leave was about. In looking at the leave, we made sure that we did get information from the South Carolina Association of Counties. We made sure that we met with employees. We also had an employee committee who looked at a lot of different recommendations to try to come up with the solutions that we have. After doing all that, that's how we came up with the current leave policy that we have. I'm trying to be equitable to the employees, but also, try to minimize the leave that we would have on the books in the future, so that the County's liability would be decreased. And, you should have a copy of that policy, because I made sure I sent it to you earlier, so that you would have an opportunity to be able to study it. And, I would be happy to entertain any questions that you have on that policy."

Chairman Schurlknight: "Let me get a motion and second first, and we can open it up for discussion."

Committee Member Pinckney: "So move."

Committee Member Call: "Second."

It was moved by Committee Member Pinckney and seconded by Committee Member Call to **approve** the recommended changes to Berkeley County Government's Personal Leave Policy.

Chairman Schurlknight: "We have a motion and a second for discussion; questions? Mr. Farley?"

Mr. Farley: "Yes, Sir; this zero to one year, you're talking 18 days?"

Ms. Turner: "Eighteen days?"

Mr. Farley: "Eighteen days of leave?"

Ms. Turner: "Yes."

Mr. Farley: "That's three and a-half weeks?"

Ms. Turner: "Yes."

Mr. Farley: "For someone that has just been hired?"

Ms. Turner: "Yes."

Mr. Farley: "I've, I've never in my life – I don't think any company around would, would – I think, the standard is after one year, you get one week."

Ms. Turner: "Well, actually, if you look at every county in the South Carolina Association of Counties, and I can give you that spreadsheet, we looked at them. It is normal, because with other companies, they usually have bereavement leave; they usually have vacation leave; they usually have sick leave – Berkeley – and jury duty leave. Berkeley County does not have all of those leaves. When we have our days, and we take them, it doesn't matter what an employee uses this for. It's for that period of time. So, one of the things that we did, we looked at all of the counties in the South Carolina Association of Governments that's close to where we are. We looked at what their sick time was and vacation, and added all those, and saw what the average hours were that they provided to people. And, we choose a number in between to be able to be equitable with our employees. If we did just a week since we have personal leave, that means that we would almost be two weeks behind any county, and there would be no way that we would even be competitive with our benefits. Now, if we had a sick leave policy, yes, I'd agree with you, but we do not have sick, we do not have bereavement or any of those other type of leaves on our books."

Mr. Farley: "When you give someone three and a-half weeks, they're gonna come to work sick, and they're gonna have three weeks of vacation, plus twelve holidays?"

Ms. Turner: "Well, we have – if we had as – we have some people – the people who have kept a lot of leave have been here for a very, very long time. But, we have a lot of people who don't keep it even though they had that amount of time. They don't come to work sick. A lot of people take sick, a lot of people take FMLA, so our sick leave is not staying on the books as much as people might think they may stay on the books. The individuals who tend to not take as much sick leave or sick time are those individuals who have more flexible schedules. Sometimes, that can be a challenge, such as EMS and Sheriff, but that's because they can take a three-week or four-week – four-day vacation to re-cooperate, because of the way their schedules are."

Mr. Farley: "How many employees have over 900 hours?"

Ms. Turner: "We have 82 employees that have over 900 hours, and we have..."

Mr. Farley: "That's 900 hours of leave, correct?"

Ms. Turner: "That's correct. And, we have over 871 employees that earn leave, but we have about 82 that – in fact, I have it here."

Mr. Farley: "And, when someone leaves, they are paid full pay for the first 400? Is that correct, Kace?"

Ms. Turner: "I'll answer that. There's not 82 people, so I want to correct. There are 90 people who have that leave, but they are paid 100 percent of the first 50 days – 50 days at 100 percent, 50 days at 50 percent, and 25 days at 35 percent. So, it's a unique

formula. What we did was take out the formula, and then the average amount that you see in there, the 675, it falls right in between the amounts that people were earning. So basically, they were getting between 650 and 718 hours under the current system. So, we picked a point right in between both of those. So, they're not getting any additional time under this. We just made it a simple formula, instead of trying to make employees figure out how much they would earn."

Committee Member Pinckney: "Mr. Chairman?"

Chairman Schurlknight: "Are you finished, Mr. Farley?"

Mr. Farley: "Yes."

Chairman Schurlknight: "Ok; Mr. Pinckney."

Committee Member Pinckney: "Ms. Turner, are there any other counties in the general area that, that gives sick leave, that has a sick leave policy for their employees?"

Ms. Turner: "Almost all of them. The ones who have sick leave, and these are the ones who responded to the survey that SCAC did. We didn't do the survey. But, Abbeville has a sick leave policy, Aiken, Anderson, Barnwell, Charleston County, Chester County, Clarendon County, Colleton County, Darlington County, Dorchester County..."

Committee Member Pinckney: "Ok; good. You know, my concern here is that I understand that they accumulate annual leave at a pretty good rate being a former governmental employee with the state. We used to get 15 days, Mr. Farley, our first year."

Mr. Farley: "Fifteen?"

Committee Member Pinckney: "Fifteen days, but we also had sick leave. And, my real concern is that with the current policy the way it is, you're saying that in one hand, they can accumulate x amount of day, but on the other hand, they're not gonna be fully compensated for those days should they leave, annual leave. And, I think that's kind of unfair. I think if you have a sick leave policy, because a lot of us, we like to think that we're well, but the day will come when we do get sick, and if you've got a policy to regulate the sick leave days, you can manage that a whole lot more equitable than, than coming back and kind of penalizing the employees, because he or she has saved up their annual leave days. And, that's always been a concern of mine since I've been in Berkeley County Government, employees not having sick leave, because here again, the first three days, the policy that I worked under, the first three days, no excuse. After the first three days, you've got to bring a doctor's excuse. So, that, that director could actually manage, and then that comes right back to the compensation plan. You've got an employee, they may be qualified, but then they're not actually performing up and above, beyond their duties, because they're out sick, and all of that would play into the

decision as to whether they move up or how they move up and down the band. So, I know I'm throwing a lot at you, but that's just a thing that I think that we need to look at, sick leave, because people do get sick, and after the third day, then they have to bring in some justification, doctor's statement or what have you."

Ms. Turner: "Just so you know, and that's kind of why we have more personal leave days, because people do get sick. And, what we do when people are off – the government does say for FMLA is three days, but we do five days, because the County's more flexible in that regard. So, when people are off for five days, we do require them to bring in an excuse if they are sick, so that we do. I know that a lot of people do have separate sick leave and separate personal leave. A lot of the government entities do that. I know that's how it was before I came. That is an option if we chose to separate all the leaves out again. I wasn't here before to understand why that was a problem, but one of the biggest problems whether it was under that system or under this system is the fact of having no cap. There was only one area that had – there was only one county that didn't have a cap. And, when you don't have a cap, whether it's sick leave or vacation leave, it just continues to grow. To cover people, because of their sick time, one of the reasons we looked at the 900 hours is because that basically covers someone for six months, because we don't work every day. And so, if someone is severely ill and let their time grow, some of their personal leave time grow to that period of time, then if they were gone for a period of six months, something serious God forbid like a heart attack or a transplant, this would give them an opportunity to be able to make the arrangements they need to have. So, that's why it's equitable to the employee in that regard, and why we didn't take the amount down lower than that."

Committee Member Pinckney: "Just to piggyback on that, we did have a maximum of 45 days that you could carry from one year to the next. And, upon retirement, you could get paid up to six months of sick leave, I'm sorry. I guess, I pretty much like that system, because I thought it was equitable, because, you know, I don't want to have to use my annual leave when I'm sick, because I'm not enjoying my time off being sick. If I've got sick days, then fine, I can use that for what it's set up for, because I am sick, but when I take personal leave, that's to be with my family and to enjoy them. And, maybe, I'm being a little bit picky about that, because that's the way, you know, it operated for 30 years, and it's a pretty good system."

Ms. Turner: "I think that would be true, except I think there's a lot of people who have personal time that when they run out of sick, oh no, you know, they come up with the excuse, nobody's sick anyway, and use their personal leave. Those who..."

Committee Member Pinckney: "Well, we got 15..."

Ms. Turner: "...use it..."

Committee Member Pinckney: "We got 15 sick days to a year; 15 annual and 15 sick."

Ms. Turner: “And there’s some that will use it all. Vice versa, it works both ways, and I understand what you’re saying, but there’s some people who won’t use their sick time, because they don’t want to use anything. There’s some people who will use their personal leave for their sick time. And then, we have some employees, and 22 of them, who I don’t think ever took a day off for sick or personal leave since they’ve been here.”

Mr. Callanan: “Mr. Chairman?”

Chairman Schurlknight: “Mr. Callanan.”

Mr. Fish: “Mr. Chairman?”

Chairman Schurlknight: “Mr. Callanan.”

Mr. Callanan: “Yeah, I think we missed – in that last statement, I think, was telling it misses the point as to why we’re providing leave days. It’s not so folks can bank them, and we have to pay them for them, is that we’re more productive when they can take a break throughout the year. And so, if we reward them for not taking a break, I think we are, you know, it’s counterintuitive. And that’s, you know, that’s my first problem, and the second thing is I do agree that we should have a sick policy, sick leave policy. And, you know, I can say in the private sector for the companies that I’ve worked for, it was always if they allowed, I think, only one that I know that I worked for allowed permitted carryover days. Most, I think, were use them or lose them, but there was a maximum amount that you could carryover, and they were vacation days only, that you could not carryover sick days. And, part of the reason for that was that they wanted – they did not want people who were sick to come to work. So, if that person is, you know, is saying well, you know, I feel like I’m gonna, you know, might have the flu coming on, but I’ll just go to work today, you know, in order to save my, you know, my sick day, because, you know, I can save it toward the end of the year, get paid for it, and so on and so forth. You know, you’re inviting sick people to come to work, get other people who they work with sick, and then we become, you know, less productive. And so, you know, my view is that there – three things. First, I don’t, I think these days are a little high, the total amounts are a little high. The second is that I think there should be a sick policy, and I don’t think those sick days you ought to be reimbursed for them. Third, I think there should be a maximum amount per year that you can carry over and bank of vacation days. You know, this kind of, you know, I’m gonna give you if you’ve been working here for a year, you know, I’m gonna give you five – what is that, four weeks off, and I don’t care if it’s four weeks vacation or four weeks being sick or whatever, but you get that. I think that’s a little bit – that’s a little rich, because the point that Mr. Farley made, you know, is you add on to the holidays, and governments are generally a little bit more generous on the amount of holidays that we give, and I’m using the example of what we do at the end of every year, because state government shuts down, you know, it’s every year, you know, it’s at least an additional two days that we’re giving, in addition to the regular holiday schedule. So, you know, you know, when you add all these things together, I think, you know, it’s just, you know, I’d like to see a lot of that, you know,

more, a lot of kind of those thoughts implemented into it. That's, you know, that's kind of my take of the system."

Ms. Turner: "So, what I'm hearing from County Council is you want to go back to an old fashioned sick leave policy, separate jury duty, separate vacation time and bereavement leave? Just want to make sure, because I can look at it that way if that's what you all desire."

Mr. Callanan: "Well, I think the issue with jury duty is, you know, it's a special situation. If you've got jury duty, you can prove it. And, you know, and, and, and that's a situation where, where – I don't know if we need to allocate those days every single year. You know, I'm sure there are people who haven't been called on jury duty in 10 years."

Ms. Turner: "And it wouldn't be allocated by the year. I just want each one of those doors – I want to make sure for every different situation..."

Mr. Callanan: "A different policy, you mean?"

Ms. Turner: "...yes..."

Mr. Callanan: "Ok."

Ms. Turner: "...that's what I'm asking."

Mr. Callanan: "I, I would like to see some ideas on separating this out into different policies. I'm not saying let's not allow anyone to bank any days, but I do think there should be restrictions on it. I'm not saying, you know, that I want to be, you know, overly restricted on the amount of days, but I just want them to, you know, more facilitate folks, you know, taking the necessary time off and not using this as some sort of, you know, means to, you know, put the County, you know, on the hook for more dollars when they leave."

Chairman Schurlknight: "Thank you."

Mr. Fish: "Mr. Chairman?"

Chairman Schurlknight: "Mr. Fish."

Mr. Fish: "I've got a couple, three problems. Number one, you keep talking about how we compare to other government. And also, we keep talking about unfunded liabilities. Number one, when you take a look at all of industry, not just government, you take a look at the government that is bankrupt, because of unfunded liabilities. I think we're headed down that way if we do this. Number two, part of it, you're talking about employees hired prior to January 1, 2012 remain under the current schedule. How many people, how many years would it be before you would change everybody to one

schedule? I think I've got a problem with you having two separate schedules for two people. And also, again, when you compare to private industry and all the companies is that I think this is extremely lucrative. Like Mr. Callanan said, by the time we get people off at Christmas and another 12 holidays, there's no private company can afford to do this. I would like to see us look at the – change the policy or take a look at the policy for sick leave and not let them bank that kind of money. I think it's – we're creating a problem with underfunded liability. I would like to take a look at all of that."

Chairman Schurlknight: "Yeah, thank you."

Ms. Turner: "You want me to look at external industry, right? I just want to reconfirm that. Ok."

Committee Member Pinckney: "Mr. Chairman, one other thing just for clarity. Now, my take on it is yeah, have a separate sick leave policy, annual leave policy, and I think it should be equal. Come out of date, 15 annual, 15 sick, and have a maximum as to how much they can carry from one year to the other. And, the same thing on sick leave, because, you know, I know County employees do a really, really good job for us, and we don't want to penalize them, but at the same time we want to be fair with them. When you look at other governmental agencies, and here again, the only one I've got to base it on is the state. And, that's what they do, and it works well. And so, if you would look at that, I'd appreciate it. Thank you, ma'am."

Chairman Schurlknight: "Thank you."

Ms. Turner: "And, what I'll do, I'll look at them. It will take – because we did look at all this, and I do want you all to know that we did. We just had to come up with, you know, one policy. I will try to take everyone into consideration, but it's a little difficult to look at outside entities and government, and look at balancing them, but minimize the number of personal leave. So, you can see the challenge. I mean, we will do something, but the challenge is that all of you are not on the same page. That is the problem we had in the committee. We had people on very different sides of the committee, just so you know. It wasn't a committee that I picked. Anyone who wanted to serve except for one department was allowed to serve on the committee. So, they were not individuals who were going to agree with me, and they asked some of the same questions that you had, and it was difficult. So, I do want to say that. And also, I just want to commend them, no matter what we do, because they did put in their hard time, their effort. They had a lot to learn. They had a lot of decisions to make. And, going back to the departments, the departments weren't necessarily happy with a lot of their decisions. So, I still want to recognize them, because they did do a lot."

Chairman Schurlknight: "Thank you."

Committee Member Pinckney: "Thank you."

Chairman Schurlknight: "Ok, we have a motion to approve and a second on that. Does the motion still stand?"

Committee Member Cathy Davis: "Mr. Chairman?"

Chairman Schurlknight: "Yes, Ms. Davis."

Committee Member Cathy Davis: "I'd like to make a motion to put this on hold until – it would give you more time to bring us more information as far as separating the types of leave."

Chairman Schurlknight: "Ok, I think I need to address the first motion."

Ms. Ewing: "If there's a motion on the floor, it's inappropriate to take a second motion at this time."

Chairman Schurlknight: "We'll have to vote on this first one, and we'll follow up..."

Committee Member Cathy Davis: "Ok."

Chairman Schurlknight: "...with that if it don't make it through. We have a motion to approve. Is that motion still good? The motion still good and a second."

Committee Member Pinckney: "On the sick leave policy, on the leave policy?"

Chairman Schurlknight: "Yeah, right."

Committee Member Pinckney: "Ok."

Chairman Schurlknight: "Ok, the motion's still good. Ok, we have a motion to approve. All in favor?"

There were no "Ayes" to respond to this motion.

Chairman Schurlknight: "Opposed?"

Committee Member Cathy Davis: "Nay."

Chairman Schurlknight: "Ok, I'm not really sure..."

Committee Member Pinckney: "Ok..."

Committee Member Call: "You may need to restate that."

Committee Member Pinckney: "Yeah, because I'm a little bit confused as to – on this particular motion, you asking to approve it as is."

Chairman Schurlknight: "Right, as it was recommended by staff."

Committee Member Pinckney: "Oh, ok."

Chairman Schurlknight: "That was the motion to approve as recommended."

Committee Member Pinckney: "Ok."

Chairman Schurlknight: "Now, we went into discussion, and there were some questions thrown out there."

Committee Member Pinckney: "Ok; well, with that being the case, then I vote Nay on that motion."

Chairman Schurlknight: "Ok; let's start over. All in favor of the motion to approve as recommended, please say Aye."

There were no "Ayes" to respond to this motion.

Chairman Schurlknight: "Not hearing none, all those against, Nay."

The motion **failed** to pass by unanimous voice vote of the Committee.

Chairman Schurlknight: "The motion was defeated. Now, we'll open up the floor for an additional motion; Ms. Davis."

Committee Member Cathy Davis: "Yes, I'd like to make a motion – well, there's no point placing it on hold if it's just denied."

Chairman Schurlknight: "Ok; we have a motion to put this on hold to give staff..."

Committee Member Cathy Davis: "It doesn't matter now; it's been denied."

Committee Member Pinckney: "Not at this point."

Chairman Schurlknight: "Ok; that will be fine. We'll go from there."

Supervisor Daniel Davis: "You do want to have more discussion of it, correct?"

Mr. Farley: "Yes."

Committee Member Cathy Davis: "Yes."

Supervisor Daniel Davis: "Ok."

Mr. Fish: "Are we gonna have a workshop?"

Supervisor Daniel Davis: "Well, since it was denied, that's kind of – it's over with, so we need a motion to incorporate a workshop with the other issue, and we can bring it back for more discussion."

Ms. Ewing: "I don't know that an actual motion or anything needs to be done to set a workshop or to ask Nita to bring back more information. It can certainly – if we're looking at completely revamping the current leave policy, which it sounds like we are, it's gonna take probably many months to do that. So, I don't know that we can say with any certainty when we would be able to bring it back to Council. The current leave policy that she proposed to you guys was based on the one that is actually in place now with some minor changes. Going to a sick leave/personal leave combination, especially when people don't currently have sick leave, and having to convert those over and convert the numbers and what not, that's gonna take very many months to figure out a computation for that. So, I wouldn't suggest we hold her down to anything, but just when she's ready to present it, she brings it back, but it's gonna take an extensive amount of work. We worked on this for, I think, over six months. I would imagine it would take about the same amount of time to bring it back."

Supervisor Daniel Davis: "Well, we'll bring it up for – when we set that workshop, we'll have some more discussion on it."

Chairman Schurlknight: "Good; thank you."

3. Insurance Comparison

Chairman Schurlknight: "Next, we have Ms. Turner again with the insurance comparison, and I think, we're gonna talk about a couple different things with our insurance, and this is for information only."

Ms. Turner: "I just wanted to inform County Council that we have put out a RFP again for health insurance. Since I have been here, one of the things you've challenged is also to try to get the health insurance costs down. Those RFP's will be returned to us on the 30th of July. After that, we will look at the bids, and if there's any that's favorable, we will have to expedite those bids to you. As soon as we get any of the information, we will make sure that we keep you abreast, but we wanted to let you know that it is out there. We have put the information out. Whatever we do, we have to give the state three months if we do decide to change, but with the new healthcare laws, there are more people who are coming into South Carolina to be players in the health industry, and there are some changes that are mandated whether we're with the state or not with the state."

So, we continue to look at that, and you will get additional information from me next month some time, so I wanted you to be prepared to receive that from me, as well.”

Chairman Schurlknight: “Good; do I have any questions for Ms. Turner? Hearing none, thank you as always.”

B. Kace Smith, Deputy Supervisor/Finance Director, Re:

1. Clemson University County Extension Support Agreement

Ms. Smith: “Good evening, County Council. I sent you some information in regards to funding, partially funding an Extension agent for the Clemson facilities, and that would be funded out of the National Forest Carryover Funds that we have. We’ve been funding this position since July 1, 2005.”

Chairman Schurlknight: “And Kace, on those National Forest Funds, its only certain things we can use those funds for, and education is one of them?”

Ms. Smith: “That’s correct, regarding the National Forest, that’s correct.”

Chairman Schurlknight: “And, we partner with – is it Dorchester County that are with us?”

Ms. Smith: “Yes, Dorchester County; that’s correct.”

Chairman Schurlknight: “Right, ok; and we share the Extension agents that have to go back and forth to the counties. Ok, do I have a motion?”

It was moved by Committee Member Call and seconded by Committee Member Pinckney to authorize funding of Berkeley County’s sponsorship with Clemson University of the County Extension Program Support Agreement for Fiscal Year 2012-2013, in the amount of \$13,647, to come from a remaining balance in National Forest Funds under Special Contracts.”

Mr. Fish: “Mr. Chairman?”

Chairman Schurlknight: “Yes, Mr. Fish.”

Mr. Fish: “Could you enlighten everybody just exactly what benefit the County gets from this position.”

Chairman Schurlknight: “I can attest to a lot of it with the kids and 4-H, and the farmers with soil samples, and the list goes on and on. And I think, I know – we have Mark Arena here tonight that heads up Clemson Extension. Since it was moved to Cypress Gardens, it’s really enhanced the master gardeners and the kids and everything

else. Mark, come on up to the podium and talk a little bit about Clemson Extension for us.”

Mr. Mark Arena, Regional Lead Agent with Clemson: “Yes; good evening, everyone. The position we’re seeking funding for has been in place since 2002. Actually, one point in time, the County funded 50 percent of that. The University of Clemson recognized everybody’s kind of in a financial difficulties. When we have the money available, we try to lessen the burden on the counties. And secondly, these services are specific for Berkeley County. Jonathan Croft, who’s our AG Agent, services over 20 farmers throughout Berkeley County. It consists of the Jedburg Area, Cross, St. Stephen’s, out in the Cainhoy Area also. As Mr. Schurlknight alluded to, we process about 1,000 soil samples a year. They are at the cheapest rate. They are \$6.00. It’s the cheapest in the nation, so funding of this sort helps us subsidize those costs. All the services we provide are for the people of South Carolina. This position, the funding for this position we’re talking about tonight is specifically the AG Agent, which is also partially funded by Dorchester County.”

Chairman Schurlknight: “Do you have any questions for Mark? Mr. Fish, are you ok; good. Thank you, Mark.”

Mr. Arena: “Thank you.”

Chairman Schurlknight: “Any other discussion?”

There was no further discussion.

The motion passed by unanimous voice vote of the Committee.

2. Capital Improvement Fund

Ms. Smith: “Yes, County Council. Chairman Schurlknight asked me to look at the Capital Improvement Fund in regards to the possibility of funding some vehicle replacements for the Sheriff’s Department. In addition, another item for your consideration is aerial photography that we need to do for our reassessment and for GIS. At this time or tonight, I am only going to be addressing the Sheriff vehicles. We are still investigating the aerial photography. We hope to have that done in January. It’s a requirement of the state statute, but I will let you know that we are working with the National Forest Group, and we hope to be able to use some of their funding and work with them to lower the cost to the County. We were on a phone call with them last week, and so, we’re still investigating that, and I don’t want to ask for any funds at this time for that project, but we will be coming back soon on that. The estimated cost that we had during the budget process for the aerial photography was about \$160,000.00. But, tonight I wanted to bring up the – for your consideration – funding some vehicles for the Sheriff’s Department. As you may remember last Fall, you all approved approximately \$300,000.00 for them to get some road deputy vehicles. We do have some savings in our

Capital Improvement Fund, approximately 560,000 - 631,000, I'm sorry, through various savings that we've had on some of our projects, and we would like for you to consider getting some Sheriff deputy vehicles with that money."

Chairman Schurlknight: "Thank you, Kace. Do I have a motion and second if we're gonna open it up?"

It was moved by Committee Member Call and seconded by Committee Member Pinckney to **approve** the purchase of Sheriffs' deputy on-the-road, patrol vehicles, to be funded with Capital Improvement Fund savings, in an amount not to exceed \$300,000.00.

Chairman Schurlknight: "We have a motion and a second; discussion?"

Mr. Callanan: "Mr. Chairman?"

Chairman Schurlknight: "What is the total need of the Sheriff's Department about on the vehicles?"

Ms. Smith: "Well, I can tell you he asked for 52 in the budget, but 10 of those, or 12 of those, I'm sorry, were for new positions. So, he had asked for 40 vehicles in the 2012-2013 budget."

Chairman Schurlknight: "Mr. Callanan, I can..."

Mr. Callanan: "And this would pay for?"

Ms. Smith: "He could probably get 10 vehicles with it..."

Chairman Schurlknight: "In the neighborhood."

Ms. Smith: "...if – whatever amount Council would consider allotting. We spent about \$296,000.00 to get 10 vehicles last Fall, so you all could make that decision on the amount of money."

Mr. Callanan: "And do we, do we drive these vehicles, essentially, to their obsolescence or are these on a, any sort of replacement cycle?"

Ms. Smith: "Well, I know that the vehicles have up to 250,000 miles on – some of his vehicles do. So, I have a list that I can provide to you all to let you know about the mileage. It's as of June 2012, so it ranges. So, any amount that you all may want to consider for the Sheriff to get vehicles?"

Mr. Callanan: "And, do we own all Sheriff vehicles, or do we lease any of them?"

Ms. Smith: "We purchase them, so we own them all."

Mr. Callanan: "Ok."

Ms. Smith: "In the past, we have used lease purchase, which is more or less funding them over a four-year period..."

Mr. Callanan: "Over what period?"

Ms. Smith: "Normally, four-year..."

Mr. Callanan: "Four years?"

Ms. Smith: "...we've done lease purchase, but we do not have any of that short-term debt any longer. We've paid that off."

Mr. Callanan: "What is the – I mean, we're at a different time right now where short-term debt is, you know, is, is close to zero, so – interest rates. Do we have any idea of what the lease interest rate would be?"

Ms. Smith: "No, we have not investigated that."

Mr. Callanan: "Ok, because if it's – if we're in a situation where a lease interest rate is, you know, it's, it's at a historical low, and you know, it's just simply borrowing, you know, just borrowing money at, at, at rates that, that we wouldn't even, that we're not getting in our Fund Balance, then it, you know, that there may be an opportunity there to get more vehicles, and we'd only be doing it over a four-year period. What happens at the four-year – we're purchasing it after the four-year period, right?"

Ms. Smith: "Yes."

Mr. Callanan: "Right, so, you know, I just, you know, I want to hear, I just would like to hear that as an option down the road, but I don't have any problem with, with funding these right now, I suppose. But, I mean, he, he has a big need, so."

Ms. Smith: "It's my understanding the Sheriff's Department would accept any amount of money that you all could grant them towards purchasing vehicles."

Chairman Schurlknight: "Yeah; well, I can attest. I talked with Chief Henerey today about this same thing. Again, we've been talking about it. They need to get on some kind of cycle of changing out vehicles. Maintenance cost is killing them, and the cars they're looking at replacing are 200 or more, or 200 plus thousand miles on those. And, they probably got 40 out there that really need to be replaced."

Mr. Callanan: "And, Mr. Chairman?"

Chairman Schurlknight: "Mr. Callanan."

Mr. Callanan: "Yeah, and I just – you know, I'm wondering how quickly we can get that information. You know, I don't want to hold up the Sheriff's Department on these, because I know the need, but if we can get a better deal at a historically low, short-term interest rate on a lease, and he can get more vehicles, you know, we can amortize this 600,000 over four years, you know, it's worth looking at. So, you know, it's one of those things that, you know, I just, I, I think we may be able to take advantage of this aberration in the interest rate market to kind of benefit ourselves, but, you know, it was just a thought, maybe, of holding this off for a month to actually look at that, whether or not that's beneficial or not."

Ms. Smith: "Well, as I mentioned, excuse me, as I mentioned, there's approximately 631,000 in your Capital Improvement Fund. I was certainly not recommending that you all utilize the whole, total amount to purchase Sheriff vehicles, but that is certainly at the discretion of County Council. As I mentioned earlier though, we do have to do the aerial photography, which is required by state statute, and that amount could be as much as \$160,000.00."

Mr. Callanan: "And, how does that fit into Capital Improvement? I mean, I look at Capital Improvement as equipment. That's, you know, that's, that's to me is buying services that would normally be paid out of the General Fund Budget."

Ms. Smith: "I know, back when we did it back 10 years ago, we paid it out of the bond."

Mr. Callanan: "Right, ok, I mean, but, but the bond was unlimited to..."

Ms. Smith: "Normally..."

Mr. Callanan: "...equipment."

Ms. Smith: "It's normally limited to capital improvements and equipment, but at that time, determination, it was made to use those funds for the aerial photography."

Mr. Farley: "Yeah."

Ms. Smith: "We do not, we do not have the aerial photography budgeted in the General Fund, so regardless, whether we use Capital Improvement Fund. As we've talked about earlier this evening, we have no more Contingency money."

Chairman Schurlknight: "Ok; I'd like to make a quick statement. It concerns me when we start talking about lease purchase again. It's taken us, what, five/six years to dig ourselves out the hole to get away from all this debt service. The Capital Improvement Fund was set up, you know, to pay cash for our capital improvements to keep from going into any debt and try to keep the County's debt free as possible. I would hope that we would continue to do that. I would recommend \$300,000.00 as a start, it's a

help, and go ahead and get this taken care of, and then we'll start looking at what else we can do with it."

Ms. Smith: "And, is that an amount not to exceed \$300,000.00?"

Chairman Schurlknight: "I think that's what the motion was. Is that correct, Mr. Call? Yeah, \$300,000.00 was the motion."

Ms. Smith: "And, did you all want it to be for the patrol deputies vehicles or specify?"

Chairman Schurlknight: "I think that's what we listed in the motion."

Ms. Smith: "That's what you all had done in the Fall of 2011."

Mr. Farley: "I think that would be the best."

Chairman Schurlknight: "For the deputy patrol cars, on-the-road units. Any other discussion?"

There was no further discussion.

The motion passed by unanimous voice vote of the Committee.

Ms. Smith: "Thank you."

Mr. Farley: "And, how many was that for? Up to 300,000."

Ms. Smith: "Up to 300,000."

Chairman Schurlknight: "Yes; just as many as they can get, but they're about 30,000, roughly."

Ms. Smith: "Last year, they were able to get 10 vehicles..."

Chairman Schurlknight: "Right."

Ms. Smith: "...with the funds, and it was about 296,000."

Mr. Farley: "It was end of the year. I think, I remember John saying something about it. They found somebody that had 10 or whatever. Ok."

Chairman Schurlknight: "Right."

Mr. Farley: "Maybe, we can find that again."

C. Discussion of funding for Trident Technical College's Nurse and Science Building

Chairman Schurlknight: "Ok, the next thing on the agenda is, and I'm gonna open up discussion for the funding of the Trident Technical College Nurse and Science Building. There was a lot of discussion of that during the budget process on different ways to fund that initiative. So, I'd like to go ahead and open up the floor, so we could talk about it tonight, and see what we might could come up with."

Committee Member Pinckney: "Mr. Chairman?"

Chairman Schurlknight: "Last time that came up, of course, the motion was made to fund it through a millage increase, and most of us here, I think, we, we, we pretty much concluded that it's a much needed situation just based on the information that we received. However, I don't know how critical it is as far as the need for nurses. I'm quite sure as thing progresses, there will be a need. And, we also discussed about looking at the Fund Balance, but with everything happening the way it has been happening as far as natural disasters and also when we look at the GASBY 45 and some other things that the County has responsibility for, I don't know that that's something we need to tap. So, my suggestion is still from our last meeting. I don't know exactly what the millage would be. Could we get a, a, a number on that, Mr. Supervisor, what the millage would be as far as trying to fund this?"

Supervisor Daniel Davis: "Well, I don't think, I don't think it matters. It's currently three and a-half mills for Trident Tech. That's the operations. And, I think, Tech, I think they have the funding. They can handle the funding of the building, but they just need the commitment for the majority portion of what they consider our portion. So, if for example, you don't need – I think, they recommended point six eight six (0.686) mills, but I think if you, if you made it a half a mill, I think that would work with their finances."

Committee Member Pinckney: "Taking that a step further, a half a mill, what kind of increase would we be thinking about on say a \$100,000.00 home? Can anybody give me that or can we get that at some other time?"

Supervisor Daniel Davis: "We don't have our assessor here."

Committee Member Pinckney: "Ok, because, you know, here again, we're definitely living a longer, most of us, and we're going to need that healthcare. I think we'd be remiss if we didn't make some, some kind of adjustment to see that it's in place. Although, I don't know that it's a critical need as we speak, but who knows what the future holds. And, I know people talk about taxes, taxes, no more taxes, but how are you gonna get service? Where's the money gonna come from? I mean, people are struggling as it is, so if we share that cost, I mean, we just gotta do what we gotta do, because that's a critical need, as far as I'm concerned. So, that's my spiel on it."

Chairman Schurlknight: "Ok."

Committee Member Pinckney: "And, I would vote for, for a millage increase."

Chairman Schurlknight: "Alright; any other discussion?"

Mr. Callanan: "Mr. Chairman?"

Chairman Schurlknight: "Mr. Callanan."

Mr. Callanan: "I'm just gonna reiterate what I said the other day, which was that, you know, we did make a commitment on this two years ago. And, since we did not put money aside for it, you know, in the budget, that this year only, for this year's budget, that we use funds from the Fund Balance, and then when we're crafting a budget for next fiscal year, we include that in the Trident Tech, in the Trident Tech funding millage, and then we look for savings to offset it from the General Fund. So, that was my position. You know, that's kind of still where I am."

Chairman Schurlknight: "Alright; Mr..."

Supervisor Daniel Davis: "Mr. Chairman?"

Chairman Schurlknight: "The only thing I'd like to say is, you know, we're talking about what, \$441,000.00, something along those lines? Is that number pretty correct?"

Mr. Callanan: "Right."

Chairman Schurlknight: "What we're looking at annually. I know these budgets have been cut to the bone, and I just don't see how in the world we're gonna find a half-million dollars out of next year's budget by cutting services or whatever from the departments. And, you know, transparency has always been a big thing, and I think, that what Mr..."

Mr. Callanan: "For some."

Chairman Schurlknight: "Council Member – excuse me, Sir, I hadn't finished yet."

Mr. Callanan: "Ok."

Chairman Schurlknight: "A [pause]..."

Mr. Callanan: "Did – alright?"

Chairman Schurlknight: "I was, I was waiting for you to finish, finish, finish over there, before I kept on going. And, this way, I think, it would show every taxpayer exactly where it's going instead of pulling that Fund Balance. I think the Fund Balance is there, possibly, for the deputy sheriff's cars and stuff that we're looking at, stuff internally, the GASBY thing has got to be looked at. There's a lot of liabilities that are sitting out there, and just to put a band aid on it now and knowing fully well that, I could feel certain that, you know, sitting here, it's going to be very difficult if impossible to find that kind of money in a budget to cut services from other areas, but anyway, Mr. Callanan."

Mr. Callanan: "No, I, I, you know, my point is, you know, you know, I'm on a situation and, you know, where we're, you know, we're not even voting members of the Finance Committee anymore. So, in that situation, you know, I don't think we've all put our heads together on the budget since a, since the four of us have been stripped away from a, a, from that position. So..."

Chairman Schurlknight: "Mr. Callanan, let me, let me..."

Mr. Callanan: "Ok, ok..."

Chairman Schurlknight: "...let me correct one thing that – my first thing is that you and Mr. Fish both were asked to be on the Finance Committee. Both of y'all declined to participate. Second thing is, the Committee is allowing you as of right now to speak your peace..."

Mr. Callanan: "Oh, thank you!"

Chairman Schurlknight: "And, when it is reported back to full Council, you will then have an opportunity to speak your peace again on the vote. So, all this is, is a recommendation to County Council of what we want to do. County Council, the full Council, is what makes the decision on what we're doing."

Mr. Callanan: "And, and, and as I said before, I say, you know, let's just, since it's not in the budget, and we have a Fund Balance that is now, that far exceeds the recommendation of our own auditor by nearly 50 percent then, you know, I, I, you know, my, my position – and yes, we do have obligations that we should have contributed to, you know, which is one of the reasons why I have not voted for one of these budgets in the last three years. And so, you know, we, we do need to look at that, but my, my position is simply look, you know, let's get out of this year, and then, you know, and then, you know, when we have a, you know, a Council that's more, that's, that's created with the mindset of inclusion, rather than exclusion, you know, who knows what we can accomplish. And, and, and that's just simply my, that's simply my position, so, and I'm entitled to it. Thank you."

Chairman Schurlknight: "Well, I hope you understand, y'all have been – every Council Member's been included on all the decisions that's moved forward. Of course,

there's not one decision that was made without full Council's approval when it came out of Committee to Council. Again, as a recommendation, you could try to paint it any color you want to paint it, but the bottom line is full Council makes the decisions. It's not the Committees. They make that; and Chairman did you have something that you'd like to, like to say?"

Supervisor Daniel Davis: "Yeah, Mr. Chairman. Mr. Callanan, you've said several times during these discussions that, that the, that we have made a commitment for the nursing school. And, and I would just like to know when we did that. If you could provide me with a..."

Mr. Callanan: "Absolutely."

Supervisor Daniel Davis: "...the minutes."

Mr. Callanan: "Yes; it was on September 27, 2010. This is about a month after we finished the – we voted to fund it for the first year. An issue had come up on the agenda. I was not sure whether it was pertaining to the Trident Tech or not. And so, you know, this is my quote, which was 'ok; I don't have a problem with it', meaning this particular item that has nothing to do with Trident Tech, it goes, 'what happened with Trident Tech; I thought it was going to be on the agenda for the next Finance Committee; is it just going to be on Regular Council,' and then Ms. Ewing said, 'we are still trying to figure out exactly what we need to do internally, whether it needs to be a resolution or anything like that, and we haven't hammered it out yet, but I've spoken with Trident Tech, and I believe the Finance Director has spoken with Trident Tech and let them know that we're working on it, that the commitment has been documented in the minutes, and they're secure as, as far as they're concerned.'"

Supervisor Daniel Davis: "Well, I, I don't think I've ever seen it in the minutes, the commitment that you're talking about."

Mr. Callanan: "Well, we voiced a commitment to Trident Tech."

Supervisor Daniel Davis: "Ok, but Council has not committed. I just wanted you to clarify it. I want it clarified to the public that Council has yet to, to act on it and commit the money to Trident Tech."

Mr. Callanan: "So, how does a staff member have the authority to tell Trident Tech that the commitment has been documented in the minutes?"

Supervisor Daniel Davis: "Well, I can't answer for her. I think she misspoke, but I'm not sure, and we can, we can certainly ask her, but I would like – if we're gonna tell the public that County Council has made a commitment to Trident Tech, I'd like, I think we need to see it in the minutes where we voted on it. We did vote each of two years to provide them yearly funding, but the request that – because the request that was made,

the original request of Tech that was made was to raise the millage to provide them the funding, and we didn't do that. We have not, we have not approved their request."

Mr. Callanan: "They never asked for – when they approached us, when Dr. Thornley made her presentation, and she gave the total amount that, that she thought was Berkeley County's, you know, percentage of this, nowhere in there did they say, well it's seven point four million, but I'll take six-hundred thousand or whatever we've given them. I – so, this is why I made the request as to why we don't have a resolution on this, because I was concerned whether or not we had a commitment or not. And, when I was told by the County Attorney that the commitment has been documented in the minutes, and they're secure as far as we're concerned, that, that gave me the assurance that we were committed to the project, and that's why I keep saying that we're committed to the project."

Supervisor Daniel Davis: "Well, I will – I, I just want the public to know that in my opinion, the commitment that I will feel comfortable with is a vote by County Council that we've done it, and as far as I know..."

Mr. Callanan: "I agree."

Ms. Ewing: "Mr. Chairman? I don't know to which minutes that Mr. Callanan is referring, so I haven't had the opportunity to review them. I do remember, vaguely, a conversation coming up where I did say something about the Trident Tech commitment, but obviously, I can only commit to what – to represent a commitment that Council has made. So, whatever commitment was made that night is the commitment to which I referred. I don't know, again, without going back. I don't know what date he's looking at. I don't know if he's talking about Finance. I don't know if he's talking about full Council, but certainly, I as County Attorney cannot commit Council to anything; otherwise, I would be changing a lot of things that this Council does."

Mr. Callanan: "And..."

Ms. Ewing: "And, Sir, I do not have that authority, obviously. The minutes speak for themselves. Whatever commitment I referenced in my statement to the public is documented in the minutes. That's all I can say. If it was for \$500,000.00 for that year, it was \$500,000.00 for that year. Whatever it was, but I obviously cannot commit to anything that Council has not voted on and approved."

Chairman Schurlknight: "Thank you, Ms. Ewing. Any other discussion?"

Committee Member Pinckney: "I make a motion that we do millage to ensure that Trident Technical College gets the funds that they need for their nursing building."

Chairman Schurlknight: "And, you have an amount, Mr. Caldwell, of the millage we're looking at?"

Committee Member Pinckney: “Based on the information, the discussion here, I would say a half a mill (0.5).”

Mr. Farley: “Mr. Chairman, will there be a sunset clause on that?”

Committee Member Pinckney: “Yes.”

Chairman Schurlknight: “Yes, most definitely.”

Committee Member Pinckney: “I think it’s time that we put this sleeping dog to rest. Let’s get it out of the way.”

Chairman Schurlknight: “Ok; I do have a question about – now does that half mill included on the total that they are getting or are we gonna have a separate line item on the tax bill showing it’s going to the nursing school? Is that – Kace, you might have to help us a little bit with this one.”

Ms. Smith: “I will tell you that our IT Department, and I don’t mean to speak for Mr. Boling. I don’t believe he’s here, right now, but I do not believe they’ll have time to make a separate line on the tax bill by the time the bills go out this Fall.”

Chairman Schurlknight: “Ok.”

Ms. Smith: “But, that is something they can work on in the future or...”

Chairman Schurlknight: “The following year.”

Ms. Smith: “...it can be wrapped up in their current millage. Currently, the millage is 3.5 mills.”

Ms. Ewing: “Kace, can I just clarify something? Because this is a, this would be a millage increase, it will require an ordinance, and all procedures for increasing the millage would need to be followed. I don’t know that we can do that this year in time for the tax bills, as we’ve got an October 1, I think, book open date. Certainly, if Council commits to, passes a resolution or a motion tonight, we can certainly get it on next year’s tax bill, because we could include it in next year’s budget ordinance. But, with the notice provisions that are required by the state statute, and the fact that we need Three Readings and a Public Hearing, and it is July, whatever day it is, 23rd. I don’t know that we’ve got enough time to get it on the tax bills this year. But again, Council can make it a commitment to do that for the next year. Council can make the commitment.”

Mr. Callanan: “Mr. Chairman?”

Chairman Schurlknight: “One second, Mr. Callanan; are we finished with the motion?”

Committee Member Pinckney: “Yeah, I’m through with the motion. Yes, Sir, I am.”

Chairman Schurlknight: “Can I get a second on it?”

Committee Member Call: “Second.”

Chairman Schurlknight: “Seconded – Mr. Call. Mr. Callanan.”

It was moved by Committee Member Pinckney and seconded by Committee Member Call to increase Trident Technical College’s current millage rate by .05 mills to assist in construction of the college’s new nursing and science building.

Mr. Callanan: “Yes, one Council cannot commit a separate Council to any action. So, you know, and I just wanted to make that clear.”

Ms. Ewing: “Mr. Callanan, that’s correct that, that you cannot bind a future Council. Certainly, however, a resolution adopted by County Council would be much stronger than a statement by staff that there is a commitment.”

Chairman Schurlknight: “Ok; we have a motion and a second for the resolution to increase Trident Technical College’s millage by a half mill (.05) to go towards the nursing school. Any other discussion?”

The motion passed by majority voice vote of the Committee. Committee Member Cathy Davis voted, “Nay.”

REPORTS FROM STANDING COMMITTEES

Committee on Justice and Public Safety Council Member, Mr. Steve Davis, Chairman

In Chairman Steve Davis’ absence, Acting Chairman Farley: “Mr. Chairman, the Committee on Justice and Public Safety met on July 9th.

a. 2012 Bulletproof Vest Grant Matching Funds

Acting Chairman Farley: “On recommendation of the Committee, I move to **approve** the matching funds upon the award of the 2012 Bulletproof Vest Grant, in the amount of \$44,056.00, to come from the Capital Improvement Fund. (No second required.)

The motion passed by unanimous voice vote of the Committee.

b. Additional Funds to Add One (1) CPL (Deputy Sheriff II) to School Resource Officer's Personnel Budget

Acting Chairman Farley: "Also, Mr. Chairman, on the recommendation of the Committee, I move to **approve** additional funds to add one deputy sheriff to the School Resource Officer's Personnel Budget, in the amount of \$31,744.00, to come from Contingency. (No second required.)"

The motion passed by unanimous voice vote of the Committee.

(That concluded Chairman Steve Davis' report.)

It was moved by Committee Member Pinckney and seconded by Committee Member Call to **adjourn** the meeting of the Committee on Finance. The motion passed by unanimous voice vote of the Committee.

Meeting adjourned at 7:55 p.m.

August 27, 2012
Date Approved

FINANCE

(Standing Committee of Berkeley County Council)

Chairman: Mr. Jack H. Schurlknight, District No. 6

Members: Mr. Robert O. Call, Jr., District No. 3
Mrs. Cathy S. Davis, District No. 4
Mr. Caldwell Pinckney, Jr., District No. 7
Mr. Steve C. Davis, District No. 8

Mr. Phillip Farley, District No. 1, ex officio
Mr. Timothy Callanan, District No. 2, ex officio
Mr. Dennis Fish, District No. 5, ex officio
Mr. Daniel W. Davis, Supervisor, ex officio

A **meeting** of the **COMMITTEE ON FINANCE**, Standing Committee of Berkeley County Council will be held on **Monday, July 23, 2012**, at **6:03 p.m.**, in the Assembly Room, 1003 Highway 52, Moncks Corner, South Carolina.

AGENDA

In accordance with the Freedom of Information Act, the electronic and print media were duly notified.

APPROVAL OF MINUTES:

June 25, 2012

EXECUTIVE SESSION to discuss matters relating to the proposed location, expansion, or the provision of services encouraging location or expansion of industries, or other businesses in the area served by the County; or discussions of negotiations incident to proposed contractual arrangements and proposed sale or purchase of property, the receipt of legal advice where the legal advice relates to a pending, threatened, or potential claim or other matters covered by the attorney/client privilege, settlement of legal claim, or the position of the County in other adversarial situations involving the assertion against the County of a claim.

A. Leonitta Turner, Human Resources Director, Re:

- a.** Employee Compensation
- b.** Leave Policy
- c.** Insurance Comparison

B. Kace Smith, Deputy Supervisor/Finance Director, Re:

- a.** Clemson University County Extension Support Agreement.
- b.** Capital Improvement Fund

- C. Discussion of funding for the Trident Technical College's Nurse & Science Building.

REPORTS FROM STANDING COMMITTEES:

1. **Committee on Justice & Public Safety**
Council Member, Mr. Steve Davis, Chairman
 - a. 2012 Bulletproof Vest Grant matching funds.
 - b. Additional funds to add (1) one CPL (Deputy Sheriff II) to the School Resource Officer's personnel budget.

July 18, 2012
S/Catherine R. Windham
Interim Clerk to County Council